NEGOTIABLE INSTRUMENTS—BANK AS PURCHASER FOR VALUE.—The payee of a check deposited it with the plaintiff bank for collection. The bank credited the amount of the deposit to the payee's account and the same day permitted him to check out his entire account. The maker, the defendant, then stopped payment on the check, and in a suit by the bank against him, *held,* four judges dissenting, the bank was a purchaser for value. *Old National Bank of Spokane* v. *Gibson* (Wash. 1919) 179 Pac. 117.

When a negotiable instrument is deposited for collection, title to it remains in the depositor and the bank is held his agent for purposes of collection. See *Giles* v. *Perkins* (1807) 9 East. 12; *Third Nat' Bank* v. *Exum* (1913) 163 N. C. 199, 79 S. E. 498; *Scott* v. *Ocean Bank* (1861) 23 N. Y. 289. Even though the bank credit the depositor's account with the amount of the uncollected check, this is regarded as a conditional credit which the bank may cancel and the principal-agent relation is not altered. See *In re State Bank* (1894) 56 Minn. 119, 57 N. W. 336; *Beale* v. *City of Somerville* (C. C. A. 1892) 50 Fed. 647. Now if the bank permits a depositor to draw against such credit, before collection is actually made does the bank thereby become a purchaser for value? In the absence of any express intention between the parties, some courts view such a transaction as a loan on the personal credit and allowed as a convenience. *Greenburg National Bank* v. *Syer & Co.* (1912) 113 Va. 53, 73 S. E. 438; see *Balbach* v. *Frelinghuysen* (C. C. 1883) 15 Fed. 675; Morse, Banks and Banking (4th ed.) § 586. Other cases maintain that an advance by the bank against an uncollected deposited check terminates the principal-agent relationship and becomes an act of purchase of the check, because the bank pays value relying thereon, and makes the bank titleholder. *Cf. Ayres* v. *Farmers' Merchants Bank* (1883) 79 Mo. 421; *Clark* v. *Merchants' Bank* (1849) 2 N. Y. 380; Selover, Bank Collections, § 15. And still others while not giving the bank title indicate that a lien is created in its favor for any debt due it from the depositor by virtue of such advances. See *Armour Packing Co.* v. *Davis* (1896) 118 N. C. 548, 24 S. E. 365; *In re State Bank, supra; cf. Joyce* v. *Auten* (1900) 179 U. S. 591, 21 Sup. Ct. 227; Jones, Liens 3rd ed.) § 244. Since banks generally lend on security rather than without security, and since it seems artificial to regard title as passing in the absence of extrinsic facts other than the advancing of money, this last inference seems the most probable and would make the bank a holder for value under the Uniform Negotiable Instruments Law, § 27, providing that a lienor of an instrument is a holder for value to the extent of his lien. Clearly the most unlikely inference is that the bank made an unsecured loan and on either of the other two theories the principal case decided under the N. I. L., is sound.

PATENTS—INFRINGEMENT—DIRECTOR'S LIABILITY FOR PROFITS.—The defendant organized a corporation to engage in the manufacture of machinery infringing the plaintiff's patent and, as one of its directors, completely dominated the corporation's acts. Substantial profits were made by this corporation from contracts involving infringements. Apparently to escape litigation the corporation was dissolved under the directions of the defendant. Waiving damages, the plaintiff in a bill in equity sought an accounting of the profits gained by the defendant from his tortious acts. *Held,* he was liable for so much of the profits as he actually received in dividends, salary, or in any other way. *Hitchcock* v. *Cruikshank* (C. C. A., 3rd Dist. 1919) 259 Fed. 948.